

General

FAQ

Why should I request an extension for achieving compliance with the HIPAA transaction standards?

If you do not request an extension, your agency must be in full HIPAA compliance for transaction and code set standards no later than October 15, 2002. The compliance plan must be submitted no later than October 15, 2002.

If you do request an extension, as MDCH is, you can phase in the HIPAA requirements during the next year until October 1 2003. You will have ample opportunity to test your system changes and modify them as necessary during this extension period.

How do I file for an extension?

Instructions can be found at www.cms.hhs.gov/hipaa. We recommend that you file your compliance plan on-line and receive confirmation that your application was received. The requirement is that your application be received by the Department of Health and Human Services (DHHS) no later than October 15, 2002. There is no requirement that DHHS approve it.

Does this extension apply to the HIPAA privacy standards?

No. The target for implementing the privacy standards is April 14, 2003.

What about HIPAA security standards?

Proposed rules have been released in the form of a Notice of Proposed Rule Making (NPRM). The final rules have not been published in the Federal Register. Once the rules are published they are effective for a limited time. Normal lifespan of a rule is 60 days but varies based on the complexity of the proposed rule.

Should my providers request an extension?

Yes. Any provider who plans to transmit information electronically should request an extension.

Do all covered entities automatically get an extension?

No. Covered entities must submit a compliance extension plan to the Department of Health and Human Services (HHS) no later than October 15, 2002 to get an extension.

Will trading partner agreements be needed?

Yes. Trading partner agreements will be needed between entities as it relates to the exchange of health information in electronic transactions between those entities.

Doesn't the law also require Medicare claims to be submitted electronically after October 2003?

HIPAA Administrative Compliance Act (ASCA) prohibits Health and Human Services (HHS) from paying Medicare claims that are not submitted electronically after October 16, 2003, unless the Secretary grants a waiver from this requirement. It further provides that the Secretary must grant such a waiver if there is no method available for the submission of claims in electronic form or if the entity submitting the claim is a small provider of services or supplies. Beneficiaries will also be able to continue to file paper claims if they need to file a claim on their own behalf. The Secretary may grant such a waiver in other circumstances. CMS will publish proposed regulations to implement this new authority.

What will be the impact of the one-year extension?

The extension will allow all covered entities time to build, test and implement the new Electronic Transaction and Code sets required by HIPAA.

I believe I will be fully compliant by October 2002. However, I know that some of my trading partners are requesting extensions and will continue to use nonstandard formats after that date. Do I need to submit a compliance extension plan so that I can continue to communicate with these partners using nonstandard transactions?

If your trading partner has filed for an extension, check with them to see if they can receive your HIPAA compliant transaction form. If they do not have this ability submit claims in the old format. In any case it

General

is important that you file for an extension. Extension guarantees both Payers and Providers extra time to implement new code sets and transaction formats.

Will Maximus, MediFax be required to meet HIPAA deadlines? Will MDCH coordinate this and communicate the same?

No. Vendors are not covered entities under the HIPAA guidelines. MDCH will assure HIPAA compliance based on the Business associate agreement that MDCH has with their contractors.

Where are the implementation guidelines for HIPAA transactions?

Michigan will follow the national HIPAA implementation guide found at <http://www.wpc-edi.com/hipaa>. There will be no Michigan-specific implementation guidelines for HIPAA transactions but MDCH has developed short Data Clarification Documents that can be found on the MDCH web site at <http://www.michigan.gov/mdch>.

- Click on "Providers" which is found on the left side of the screen
- Click on "HIPAA Implementation" which is the Third quicklink on the right hand side of the page.
- Click on "Data Clarification Documents" which is the last but third Link.

Today we use Medifax to determine Michigan Medicaid eligibility. Will MDCH continue to use Medifax for Michigan Medicaid eligibility? If not when will the 270 & 271 transactions be available for testing? And when will providers be required to transition to the 270/271 4010 version?

MDCH has approved the Medifax EDI contract thru May 2005. The requirement by HIPAA to convert to the 270/271 is October 2003.

Providers can contact Gavin Johnson, Medifax EDI, at (615) 565-2165 or by e-mail at gavin.johnson@medifax.com for information concerning x12 testing. The x12 has not been approved but we have allowed providers to test it and Medifax EDI makes sure that they know it could change.

Regarding the letter mailed out dated May 2002 and the HIPAA transaction sets. We have filed an extension form with Medicare for one year. Does this same extension apply to Medicaid, and give us a Medicaid extension?

Extensions should be filed with CMS and are good until October 2003 when all transaction sets must be implemented. The extension is with CMS rather than specifically to Medicare or Medicaid.

The HIPAA Newsletter states that "Effective October 1, 2002, the MDCH will no longer accept any of its current proprietary electronic claims formats". The question is, will Hospitals filing for the one year extension, be allowed an additional year to submit in the current format, while they convert their systems to support the X12N 837 format?

Mandatory changes for October 1 2002 are:

- Nursing Facilities must submit ANSI X12 837 Institutional v 4010 **OR** UB 92 emc 5
- Dental must submit ANSI X12 837 Dental v 4010

All other transactions can continue as is until October 1 2003, which is the drop-dead date for HIPAA compliance. Please read the May Official Numbered Letter that is on the website.

www.michigan.gov/mdch. Go to Providers and then HIPAA Implementation

Currently, we submit our Medicaid facility claims through the BCBSM/EPIC system, which routes these to the Medicaid payer. Will BCBSM modify the current claim format to support the X12N 837 format required by Medicaid on October 1, 2002?

Yes. Providers must use the BCBSM format and guidelines for this submission. Please visit the Blue Care Blue Shield of Michigan (BCBSM) website for detail information. Their website address is www.bcbsm.com/providers/hipaacentral.shtml